

**REMARKS**

Please reconsider the application in view of the above amendments and the following remarks. Applicant thanks the Examiner for carefully considering this application.

**Disposition of Claims**

Claims 1-14, 40-43, and 55 are pending in the present patent application. Claims 1, 40, and 55 are independent. The remaining claims depend, either directly or indirectly, from claims 1 and 40.

**Claim Amendments**

Claims 1, 5, 40, and 55 have been amended for clarification. No new matter has been added by way of these amendments, as support for these amendments may be found, for example, in Figure 19.

**Rejections under 35 U.S.C. § 103**

Claims 1, 11-14, 40-43, and 55 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Patent No. 5,144,663 issued to Kudelski et al. (hereinafter "Kudelski"). For the reasons set forth below, this rejection is respectfully traversed.

Independent claim 1 has been amended to include the limitation "said smartcard being arranged to maintain a first series of memory zones containing the identities of the respective broadcast suppliers and a second series of dynamically created memory zones, the memory zones in the second series each being labeled with the identity of a broadcast supplier and containing data including said decryption data used for the handling of received broadcast signals from that supplier." Although Kudelski admittedly lacks this limitation, the Examiner asserts this limitation is disclosed by U.S. Patent No. 4,833,710 issued to Hirashima (hereinafter "Hirashima"). Further, the Examiner asserts that it would be obvious to one of ordinary skill to combine the teachings of Hirashima within the system of Kudelski because dynamic memory zones enable the decoder to efficiently keep track of content viewed by the user and enable the user to be accurately billed for each pay-per-view channel watched. (See Office Action dated November 30, 2004 at page 6). The Examiner has attempted to equate this alleged teaching of Hirashima with the dynamic memory zones recited in amended independent claim 1. The dynamic memory zones, as recited in amended

claim 1, include decryption information for entitling a user to view one or more programs. (*See*, for example, published Specification at [0276]). This is clearly distinct from keeping track of viewed content as suggested by the Examiner. There is no teaching in Hirashima of storing decryption information respectively in each of the dynamic memory zones for the handling of received broadcast signals as required by amended independent claim 1 of the present application. Further, Applicant respectfully asserts the format of the dynamically created memory zones and the relationship between the dynamically created memory zones, as recited in amended independent claim 1, are sufficiently complex to be neither anticipated nor obvious from Hirashima.

Further, independent claim 1 recites “said microprocessor being adapted to enable or control the individual decryption of a plurality of such signals from respective broadcast suppliers...” Kudelski discloses only *a system* of pay-television and is silent as to numerous broadcast suppliers (column 1; lines 13-16). Applicant asserts it would not be obvious to one skilled in the art to modify Kudelski to address *numerous* broadcast suppliers.

In view of the above, Hirashima and Kudelski, whether viewed separately or in combination, fail to teach or suggest the present invention as recited in amended independent claim 1. Thus, it is clear that amended claim 1 is patentable over Kudelski and Hirashima. Claims 11-14 depend, either directly or indirectly, from amended claim 1 and are allowable for at least the same reason. Accordingly, withdrawal of this rejection is respectfully requested.

The Examiner asserts all the limitations of independent claim 40 would be obvious from the teachings of Kudelski. (*See* Office Action dated November 30, 2004 at page 3). Specifically, the Examiner asserts the limitations “memory means containing a stored ID of the receiver/decoder” and “means for comparing said stored ID with an ID of a smartcard read by the smartcard reader” are obvious from Kudelski (column 6, lines 21-45). The cited passage from Kudelski teaches the credit management capabilities of Kudelski’s CPTV-card and the role of Kudelski’s CPTV-card in the unscrambling of broadcast signals, where both tasks require the use of the *memory on the CPTV-card*. However, Kudelski is silent as to the receiver/decoder possessing *memory with a stored ID* as recited in independent claim 40. Clearly, all limitations of the receiver/decoder as recited in independent claim 40 are neither anticipated nor obvious from Kudelski. Thus, claim 40 is patentable over Kudelski. Claims 41-43 depend, either directly or indirectly, from claim 40 and are allowable for at least the same reason. Further, as claim 55 is

similar to claim 40, it too is allowable for at least the same reason. Accordingly, withdrawal of this rejection is respectfully requested.

Claims 2 and 3 stand rejected under 35 U.S.C. § 103(a) as being unpatentable over Kudelski in view of WO 96/06504 (hereinafter "Chaney"). Amended claim 1 is allowable for the reasons argued by Applicant above. As claims 2 and 3 depend, either directly or indirectly, from amended claim 1, claims 2 and 3 are patentable for at least the same reason. Accordingly, withdrawal of this rejection is requested.

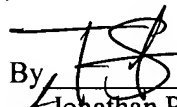
Claims 4-10 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Kudelski in view of Hirashima. Amended claim 1 is allowable for the reasons argued by Applicant above. As claims 5-10 depend, either directly or indirectly, from amended claim 1, claims 5-10 are patentable for at least the same reason. Accordingly, withdrawal of this rejection is requested.

#### Conclusion

Applicant believes this reply is fully responsive to all outstanding issues and places this application in condition for allowance. If this belief is incorrect, or other issues arise, the Examiner is encouraged to contact the undersigned or his associates at the telephone number listed below. Please apply any charges not covered, or any credits, to Deposit Account 50-0591 (Reference Number 11345/105002).

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Respectfully submitted,

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